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526 S. Church St.  
Charlotte, N. C. 28202

Carol E. Shrum, Vice President

Duke Energy Carolinas  
EC12K/P.O. Box 1006  
Charlotte, N. C. 28201-1006

704 382-9826

704 382-4671 fax

May 28, 2009

The Honorable Charles Terreni  
Chief Clerk and Administrator  
Public Service Commission of South Carolina  
Post Office Drawer 11649  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29211

Dear Mr. Terreni:

Enclosed is the quarterly report of Duke Energy Carolinas, LLC  
for the twelve months ending March 31, 2009. Please feel free to  
call me at (704) 382-9826 or Phil Stillman at (704) 382-8070.

Yours truly,

A handwritten signature in cursive script that reads 'Carol Shrum'.

Carol E. Shrum  
Rates & Regulatory Accounting

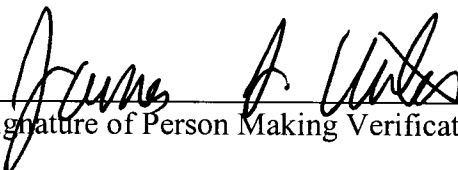
Enclosure

cc: Mr. Dukes Scott  
Executive Director  
Office of Regulatory Staff

CERTIFICATION

(Certification must be signed by the Chief Executive Officer and the Chief Financial Officer)

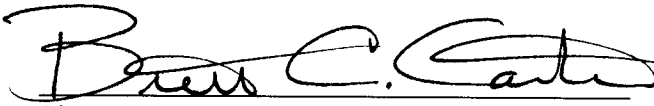
I, James D. Wiles, state and attest, under penalty of perjury, that the attached South Carolina Quarterly Report is filed on behalf of Duke Energy Carolinas, LLC, as required by the Public Service Commission of South Carolina; that I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

  
\_\_\_\_\_  
Signature of Person Making Verification

James D. Wiles  
\_\_\_\_\_  
Typed or Printed Name of Person Signing

VP, Franchised Electric and Gas Accounting  
\_\_\_\_\_  
Title

05/28/09  
\_\_\_\_\_  
Date Signed

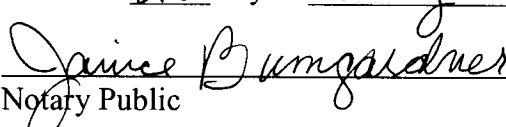
  
\_\_\_\_\_  
Signature of President

Brett C. Carter  
\_\_\_\_\_  
Typed or Printed Name of Person Signing

President, Duke Energy Carolinas  
\_\_\_\_\_  
Title

05/28/09  
\_\_\_\_\_  
Date Signed

Subscribed and sworn to before me this 28<sup>th</sup> day of May, 2009.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: 8/17/2009

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjs (a) (Col. 3)	As Adjusted (Col. 4)
1	Electric operating revenue	\$5,849,295		\$1,380,187	(\$1,296)	\$1,378,891
2	Electric operating expenses:					
3	Operation and maintenance:					
4	Fuel used in electric generation	1,632,436		392,300	(1,132)	391,168
5	Purchased power and net interchange	245,477		47,399	32	47,431
6	Wages, benefits, materials, etc.	1,620,159		391,318	707	392,025
7	Depreciation and amortization	709,417		170,479	1,858	172,337
8	General taxes	324,199		65,677	4,570	70,247
9	Interest on customer deposits	3,994		549	0	549
10	Income taxes	377,761		90,183	(426)	89,757
11	Amortization of investment tax credit	(8,014)		(1,893)	9	(1,884)
12	Total electric operating expenses	4,905,429		1,156,012	5,618	1,161,630
13	Operating income	\$943,866		224,175	(6,914)	217,261
14	Add: Customer growth adjustment				747	747
15	Income for return			\$224,175	(\$6,167)	\$218,008
16	Original cost rate base (b)			\$2,819,079	\$125,936	\$2,945,015
17	Rate of return on South Carolina retail rate base			7.95%		7.40%

Notes: (a) From Page 3, "Total adjustments" line.

(b) From Page 4, Line 11.

Line No.	Description	South Carolina Retail									
		Total Company Capitalization				Per Book		Pro forma			
		March 31, 2009		Ratio (a) (Col. 2)	Retail Rate Base (Col. 3)	Embedded Cost/ Return % (Col. 4)	Operating Income (Col. 5)	Retail Rate Base (Col. 6)	Embedded Cost/ Return % (Col. 7)	Operating Income (Col. 8)	
		Amount (Col. 1)									
1	Long-term debt	\$6,425,059	45.00%	\$1,268,586	5.49%	\$69,645	\$1,325,257	5.49%	\$72,757		
2	Preferred stock	0	0.00%	0	0.00%	0	0	0.00%	0		
3	Members' equity	7,852,850	55.00%	1,550,493	9.97%	154,530	1,619,758	8.97%	145,251		
4	Total	\$14,277,909	100.00%	\$2,819,079 (b)		\$224,175 (c)	\$2,945,015 (d)	(f)	\$218,008 (e)		

Notes: (a) The actual capitalization ratios at end of period are 47.39% for long-term debt, 0.00% for preferred stock, and 52.61% for members' equity.

(b) From Page 4, Line 11, Column 2.

(c) From Page 1, Line 15, Column 2.

(d) From Page 4, Line 11, Column 4.

(e) From Page 1, Line 15, Column 4.

(f) If adjusted for weather, this rate would be 8.56%.

Line No.	Description	Electric Operating Revenue (Col. 1)	Fuel Used in Electric Generation (Col. 2)	Purchased Power and Net Interchange (Col. 3)	Wages Benefits Materials Etc. (Col. 4)	Depreciation and Amortization (Col. 5)	General Taxes (Col. 6)	Interest on Customer Deposits (Col. 7)	Income Taxes (Col. 8)	Amortization of ITC (Col. 9)	Net Operating Income (Col. 10)
1	To annualize depreciation on year-end plant					(\$2,729)			\$1,070		\$1,659
2	To annualize wage rate increases				\$2,078		\$598		(1,049)		(1,627)
3	To annualize property taxes on year-end plant						3,240		(1,271)		(1,969)
4	To reflect CWIP closings to plant					5,310	967		(2,462)		(3,815)
5	To adjust income taxes to reflect interest synchronization								2,429		(2,429)
6	To exclude Greenwood operations	(1,296)	(\$1,132)	\$32	(1,371)	(723)	(235)	\$0	857	\$9	1,267
7	Total adjustments	(\$1,296)	(\$1,132)	\$32	\$707	\$1,858	\$4,570	\$0	(\$426)	\$9	(\$6,914)

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Electric plant in service	\$24,867,390		\$5,937,430	\$151,866	\$6,089,296
2	Less: Accumulated depreciation and amortization	(11,360,031)		(2,686,835)	(2,581)	(2,689,416)
3	Net electric plant	13,507,359		3,250,595	149,285	3,399,880
4	Add: Materials and supplies	733,876		181,320	(11,886)	169,434
5	Working capital investment	885,504		202,121	0	202,121
6	Plant held for future use	3,080	43.3664%	1,336	0	1,336
7	Less: Accumulated deferred taxes	(2,214,639)		(685,457)	0	(685,457)
8	Operating reserves	(452,994)		(111,262)	0	(111,262)
9	Customer deposits	(74,330)		(19,574)	0	(19,574)
10	Greenwood				(11,463)	(11,463)
11	Total original cost rate base	\$12,387,856		\$2,819,079	\$125,936	\$2,945,015

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$12,654,369		\$2,963,185	\$82,719	\$3,045,904
2	Transmission	2,355,465	18.6500%	439,294	11,346	450,640
3	Distribution (b)	8,161,849	25.8365%	2,108,736	46,033	2,154,769
4	General	558,762	24.3931%	136,299	11,768	148,067
5	Intangible	308,638	24.2548%	74,860	0	74,860
6	Subtotal	24,039,083		5,722,374	151,866	5,874,240
7	Nuclear fuel	828,307	25.9633%	215,056		215,056
8	Total electric plant in service	<u>\$24,867,390</u> (a)		<u>\$5,937,430</u>	<u>\$151,866</u>	<u>\$6,089,296</u>

Notes: (a) Excludes electric plant held for future use of \$3,080 thousand,  
electric plant acquisition adjustments of \$284 thousand  
and other electric plant adjustments of \$825 thousand.  
(b) The accounting adjustment in Col. 3 represents non-growth related  
additions to distribution plant.

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
		Per Books (Col. 2)		Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)	
1	Production	\$6,031,134		\$1,342,832	\$7,064	\$1,349,896
2	Transmission	1,086,318	18.5430%	201,436	(1,832)	199,604
3	Distribution	3,423,864		933,747	(9,934)	923,813
4	General	61,341	24.3481%	14,935	7,283	22,218
5	Intangible	235,645	24.7945%	58,427	0	58,427
6	Subtotal	10,838,302		2,551,377	2,581	2,553,958
7	Nuclear fuel	521,729	25.9633%	135,458		135,458
8	Total accumulated depreciation and amortization	\$11,360,031 (a)		\$2,686,835	\$2,581	\$2,689,416

The annual composite rates for computing depreciation  
(straight-line method) are shown below.

9	Steam production plant	3.57%
10	Nuclear production plant (excluding nuclear decommissioning)	2.35%
11	Hydro production plant	3.44%
12	Combustion turbines	3.62%
	Transmission plant:	
13	Right-of-way	1.16%
14	Other	2.03%
15	Distribution plant	2.33%
16	General plant	10.28%
17	Land Rights	0.81% - 1.88%
18	Intangible plant	20.00%

Note: (a) Excludes amortization of electric plant acquisition  
adjustment of \$172 thousand.



Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
	Fuel stock:				(a) & (b)	
1	Coal	\$305,277	25.9633%	\$79,260	(\$12,751)	\$66,509
2	Oil	30,547	25.9633%	7,931	865	8,796
3	Total fuel stock	335,824		87,191	(11,886)	75,305
4	Other electric materials and supplies and stores clearing	398,052	23.6473%	94,129	0	94,129
5	Total materials and supplies	\$733,876		\$181,320	(\$11,886)	\$169,434

Notes: (a) Adjustment to per book coal inventory balance  
to reflect target inventory level.

Coal inventory target level (in tons)	2,922,280		
Price per ton - coal	\$87.66		
Total company pro forma inventory	\$256,167	25.9633%	\$66,509
Per book coal inventory			79,260
Coal adjustment			(\$12,751)

(b) Adjustment to per book oil inventory balance  
to reflect target inventory level.

Oil inventory target level (in gallons)	21,042,000		
Price per gallon - oil	\$1.61		
Total company pro forma inventory	\$33,878	25.9633%	\$8,796
Per book oil inventory			7,931
Oil adjustment			\$865

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Twelve months operating and maintenance expenses, exclusive of purchased power and nuclear fuel expense	<u>\$3,103,569</u>		<u>\$744,845</u>		<u>\$744,845</u>
2	1/8 of O&M expenses on line 1	\$387,946		\$93,106		\$93,106
3	Less: average taxes accrued	<u>(90,093)</u>		<u>(26,675)</u>		<u>(26,675)</u>
4	Subtotal	297,853		66,431	\$0	66,431
5	Required bank balances	1,012	23.5305%	238		238
6	Bond reacquisition premiums	92,099		14,222		14,222
7	Prepayments	494,540	24.5137%	121,230		121,230
8	Total working capital investment	<u>\$885,504</u>		<u>\$202,121</u>	<u>\$0</u>	<u>\$202,121</u>

Line No.	Description	Total Company	Allocation Factors	South Carolina Retail		
		Per Books		Accounting Adjustments	As Adjusted	
		(Col. 1)		(Col. 2)	(Col. 3)	(Col. 4)
1	Production	\$1,792,908	24.4189%	\$437,808	\$0	\$437,808
2	Transmission	61,907	18.5404%	11,478	0	11,478
3	Distribution	97,888	25.8365%	25,291	0	25,291
4	General	30,507	24.3931%	7,442	0	7,442
5	Intangible	185,587	24.2548%	45,014	0	45,014
6	Total construction work in progress	\$2,168,797		\$527,033	\$0	\$527,033

Duke Energy Carolinas, LLC  
FIXED CHARGES COVERAGE: SEC METHOD  
EARNINGS PER SHARE  
SC Quarterly for March 31, 2009

Page 5

Line

No. Description

12 Months Ended March 31, 2009

1	SEC Fixed Charges Coverage	3.58
2	Earnings per Share	\$1.14

Line No.	Item	Total Company (a)	Wholesale Jurisdiction (b)	% of Total (c)	N.C. Retail (d)	% of Total (e)	S.C. Retail (f)	% of Total (g)
<u>Operating Revenues (\$000s)</u>								
1	Residential	\$2,267,782			\$1,741,061	76.7737%	\$526,722	23.2263%
2	Commercial	\$1,813,118			\$1,414,893	78.0365%	\$398,225	21.9635%
3	Industrial	\$1,027,062			\$613,074	59.6919%	\$413,989	40.3081%
4	Public Street & Hghwy Lighting	\$35,173			\$30,160	85.7469%	\$5,013	14.2531%
5	Interdepartmental	\$0			\$0	0.0000%	\$0	0.0000%
6	Sales for Resale:							
7	Special Contract	\$357,787	\$233,613	65.2939%	\$123,854	34.6166%	\$320	0.0894%
8	Other	\$69,330	\$69,330	100.0000%	\$0		\$0	
9	Total Rev from Sales of Electricity	\$5,570,253	\$302,943	5.4386%	\$3,923,042	70.4284%	\$1,344,269	24.1330%
<u>Kilowatthour Sales (000s)</u>								
10	Residential	27,693,227			21,111,024	76.2317%	6,582,203	23.7683%
11	Commercial	27,344,105			21,542,318	78.7823%	5,801,787	21.2177%
12	Industrial	21,606,993			12,824,299	59.3525%	8,782,694	40.6475%
13	Public Street & Hghwy Lighting	285,357			243,008	85.1593%	42,349	14.8407%
14	Interdepartmental	0			0	0.0000%	0	0.0000%
15	Sales for Resale:							
16	Special Contract	5,711,559	3,729,302	65.2939%	1,977,149	34.6166%	5,109	0.0894%
17	Other	1,486,846	1,486,846	100.0000%				
18	Total KWH Sales	84,128,087	5,216,148	6.2002%	57,697,798	68.5833%	21,214,142	25.2165%
<u>Revenue Per KWH Sold (Cents)</u>								
19	Residential	8.19			8.25		8.00	
20	Commercial	6.63			6.57		6.86	
21	Industrial	4.75			4.78		4.71	
22	Public Street & Hghwy Lighting	12.33			12.41		11.84	
23	Interdepartmental	0.00			0.00		0.00	
24	Sales for Resale:							
25	Special Contract	6.26	6.26		6.26		6.26	
26	Other	4.66	4.66					
27	Total Revenue per KWH Sold	6.62	5.81		6.80		6.34	